REMARKS

Claims 36-83 are pending in the present application. Claims 36, 38, 40, 45, 48, 51, 66 and 81-83 are herein amended. Support for the amendments may be found throughout the specification and figures, in particular, at least pgs. 9, 10, 24 and 25 of the as-filed specification.

The amendments are made solely to expedite prosecution of the application without admission as to the propriety of the rejections set forth in the present Office Action and without acquiescence to the examiner's characterization of the claims or prior art. Applicants respectfully reserve the right to include claims of the same or different scope as previously written in one or more continuing applications.

Claim Rejections – 35 U.S.C. § 101

Claims 36-50 and 81 stand rejected under 35 U.S.C. §101 as directed towards non-statutory subject matter. Solely to expedite prosecution of the application without admission as to the propriety of the rejection set forth in the present Office Action and without acquiescence to the examiner's characterization of the claims, independent claims 36 and 81 have been amended. These amendments are believed sufficient to overcome the instant rejection. Support for these amendments can be found on at least pages 9, 10, 24 and 25 of the as-filed specification.

Claim Rejections – 35 U.S.C. § 112, first paragraph

Claims 36-83 are rejected under 35 U.S.C. § 112, first paragraph, as failing to comply with the written description requirement. In particular, the examiner stated that there is no support for the term "maximum" in the phrase "designated maximum target loan sample size." Solely to expedite prosecution of the application without admission as to the propriety of the rejection set forth in the present Office Action and without acquiescence to the examiner's characterization of the claims, claims 36, 51, 66 and 81-83 have been amended to remove the term "maximum." These amendments are believed sufficient to overcome the instant rejection.

Claim Rejections – 35 U.S.C. § 103

Independent claims 36, 51 and 66 stand rejected under 35 U.S.C. §103(a) as unpatentable over Acosta (U.S. Pat. No. 6,643,625) in view of Business Wire (Triangle Announces

Introduction of DESC 2000, Business Wire, May 27, 1999), in further view of Libman (U.S. Pat. App. Pub. No. 2007/0043654), in further view of Federal Reserve (Federal Reserve Bank of Chicago, Banker's Guide To Risk-Based Fair Lending Examinations). Independent claims 81-83 stand rejected under 35 U.S.C. § 103(a) as unpatentable over Acosta in view of Business Wire, in further view of Libman, in further view of Olin (U.S. Pat. No. 7,184,981), in further view of Federal Reserve.

Claim 36

The examiner stated that Acosta teaches "a loan pool module to store loan-level data associated with each of one or more loans in a loan pool"; "a sample selection module to detect samples of different criteria in the loan pool, the same selection module including a loan aggregation tool to aggregate the loans into a plurality of specific criteria results based on the loan-level data, and a sampling tool to select an amount of the loans from the plurality of results of a specific criteria up to a designated target loan sample size." The examiner acknowledged that Acosta does not specifically teach wherein the sampling involves "high risk loans." However, the examiner stated that Business Wire teaches wherein the selection tool detects high risk loans including different risk results. The examiner stated that it would have been obvious to modify Acosta to include the details of analyzing based on risk as taught by Business Wire.

The examiner stated that Acosta did not specifically teach "aggregating a plurality of loans in a loan pool into a plurality of risk results" or "selecting an amount of a plurality of loans from each of a plurality of risk results to make a sample size." However, the examiner stated that Libman taught such limitations. The examiner stated that it would have been obvious to modify Acosta to include the details of analyzing based on risk as taught by Business Wire.

The examiner further stated that neither Acosta, Business Wire nor Libman teach the concept of a "maximum target loan size." However, the examiner stated that Federal Reserve taught such limitation. The examiner stated that it would have been obvious to modify Acosta and Libman to include the details of maximizing the number of loans in a loan pool.

With respect to independent claim 36, neither Acosta, Business Wire, Libman nor Federal

Reserve, alone or in combination, disclose the claimed invention.

In making the assessment of differences between the prior art and the claimed subject matter, section 103 specifically requires consideration of the claimed invention "as a whole." See M.P.E.P. § 2141.02 ("[T]he question under 35 U.S.C. 103 is not whether the differences themselves would have been obvious, but whether the claimed invention as a whole would have been obvious.").

Amended independent claim 36 recites, with added emphasis:

> A system, comprising:
>> memory operable to store at least one program; and
>> at least one processor communicatively coupled to the memory, in which the at least one program, when executed by the at least one processor, causes the at least one processor to execute:
>>> a loan tracking module to store loan-level data associated with each of a plurality of loans in a loan pool; and
>>> a sample selection module to detect samples of high risk loans in the loan pool, the sample selection module including
>>>> a first tool to aggregate the plurality of loans in the loan pool into a plurality of risk results based on the loan-level data, and
>>>> <u>a second tool to select an amount of the plurality of loans from each of the plurality of risk results up to a designated target loan sample size.</u>

Applicants submit that Acosta, Business Wire, Libman and Federal Reserve, when considered alone or in combination fail to disclose, teach or suggest all of the limitations of independent claim 36. For example, none of those references discloses, teaches or suggests a system that includes the limitation highlighted above as claimed.

The claimed invention has a sample selection module that has a first tool that aggregates loans in a loan pool into a plurality of risk results. After the loans in the loan pool are aggregated into a plurality of risk results, loans from <u>each of the plurality of risk results are selected</u> up to a designated target loan sample size.

Libman at best relates to aggregating loans in a loan pool into a plurality of risk results.

See Libman, ¶¶ 37-46, 57 and Fig. 4a ("To illustrate the method 100 of Fig. 3, an example information set will be discussed. Referring to FIG. 4a, an information set of 15,000 loans has been filtered . . . and divided into groups by initial LTV increments of 5 for the range between 65 and 94 . . . ."). Libman does nothing to teach <u>selecting loans from each of the plurality of risk results</u> up to a designated target loan sample size. Neither Acosta, Business Wire nor Federal Reserve cure this deficiency.

<u>Claims 51, 66 and 81-83</u>

Rejections of independent claims 51, 66 and 81-83 rely on the same reasoning and interpretation of Acosta, Business Wire, Libman and Federal Reserve as is made in the claim 36 rejection. For the same reasons provided by Applicants above with regard to claim 36, as applicable, reconsideration and withdrawal of the rejections of claims 51, 66 and 81-83 is also respectfully requested.

<u>Claims 37-50, 52-65 and 67-80</u>

Because independent claims 36, 51, 66 and 81-83 are allowable, claims 37-50, 52-65 and 67-80 which depend there from are also allowable for at least the same reasons.

Applicants' silence with respect to the specific rejections of the dependent claims should not be construed as a concession that the features of such claims are shown in the cited references. Rather, Applicants' silence is based on the belief that the foregoing adequately traverses the rejections of the dependent claims. Applicants hereby reserve the right to address and traverse the specific rejections of any of the dependent claims in the future.

Conclusion

In view of the foregoing Amendment and remarks, Applicants respectfully submit that the present application, including claims 36-83, is in condition for allowance and such action is respectfully request. Should Examiner feel that there are any issues outstanding after consideration of the response, Examiner is invited to contact Applicants' undersigned representative to expedite prosecution.

EXCEPT for issue fees payable under 37 C.F.R. § 1.18, the Director is hereby authorized by this paper to charge any additional fees during the entire pendency of this application including fees due under 37 C.F.R. §§ 1.16 and 1.17 which may be required, including any required extension of time fees, or credit any overpayment to Deposit Account No. 50-0310 (Matter No. 101612-5032). This paragraph is intended to be a CONSTRUCTIVE PETITION FOR EXTENSION OF TIME in accordance with 37 C.F.R. § 1. 136(a)(3).

Respectfully submitted,

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